



# STATE OF NEW YORK DEPARTMENT OF HEALTH

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## IMPORTANT INFORMATION FOR PROVIDERS WHO SERVE INDIVIDUALS RECEIVING BOTH MEDICARE AND MEDICAID

The new Medicare Part D Prescription Drug Program becomes effective January 1, 2006. This program will have significant impact on those clients who have both Medicaid and Medicare (dual eligibles). These dual eligibles, who currently receive their prescriptions through Medicaid, will face many changes. The amount of information is potentially overwhelming and many of your patients may come to you seeking advice. The following information is designed to help you help your dual eligible patients through this transition.

### Dual Eligibles

Individuals who are enrolled in both Medicaid and Medicare (Part A and/or B coverage) are known as "dual eligibles." Dual eligibles currently have their prescription drugs paid for by the Medicaid Program. On January 1, 2006, dual eligibles will get their drugs paid for through a Medicare Part D Prescription Drug Plan, instead of the Medicaid fee-for-service program.

The federal Centers for Medicare and Medicaid Services (CMS) has notified each recipient with dual eligibility that a benchmark *Medicare Part D Prescription Drug Plan* has been chosen for them, and unless they join a different plan before December 31, 2005, they will be auto-assigned to the selected plan. The Part D Prescription Drug Plans will each have their own formularies for covered drugs and their own networks of community pharmacies to dispense the drugs. Certain plans, identified by CMS, are called "benchmark" plans. Dual eligibles should be encouraged to join these plans because they will not have to pay any monthly premiums. If they choose to join other plans, they will become responsible for monthly premium payments.

***Please note:* dual eligibles MUST be enrolled in a Medicare prescription drug plan as of January 1, 2006, or they may lose all of their New York State Medicaid benefits, including general healthcare coverage.**

The "auto-assigned" *Medicare Part D Prescription Drug Plan* may or may not be the best match for an individual, based on their drug needs, and the pharmacies that they currently use. Individual dual eligibles will be allowed to select a different plan as of November 15, 2005. They may obtain assistance in finding a plan to better match their needs by calling 1-800-MEDICARE (1-800-633-4227) or going to the CMS website [www.medicare.gov](http://www.medicare.gov). Recipients should ask for "benchmark" plans to avoid additional premium costs.

### Co-Payments

Unlike Medicaid, under the Part D Prescription Drug Program dual eligibles will have to make co-payments in order to receive their prescription drugs. In most cases, this will involve a \$1 co-payment for generic drugs and a \$3 charge for brand name drugs.

While a pharmacist is still required to dispense a prescription when a recipient cannot pay the co-payment under Medicaid, this does not apply to prescriptions filled under the Medicare drug benefit. New York State Medicaid will not pay for either the prescription or the co-pay when a dual-eligible recipient cannot pay the Medicare prescription drug plan co-pay.

## **Drug Plan Coverage**

The new Medicare prescription drug plans have different formularies and requirements that must be met in order for plan members to receive particular drugs. With recognition of these differences, CMS has established a number of requirements to assure that the drug coverage will address the needs of Medicare recipients. However, there still may be considerable differences between Part D prescription drug plans. This will require physicians, pharmacists, and caregivers to help match a patient's current drug regimen with drugs covered by a particular drug plan. Drug plans may have pharmacy networks that may not include all local pharmacies. Recipients can find participating network pharmacies by checking with their prescription drug plan or by contacting Medicare at 1-800-Medicare (1-800-633-4227).

Plans may also change their coverage for drugs, however, they are required to notify enrollees who use that drug, at least 60 days prior to the change.

## **Exceptions and Appeals**

Although there may be certain restrictions on the use of particular drugs, all drugs covered under Medicare Part D must be available under the Medicare prescription drug plan benefit, whether or not they are on the plan's formulary. You may be contacted by a recipient, pharmacist, or prescription plan, to determine if a change to a drug on that particular plan's formulary is right for the patient.

Drug plans must also provide an exceptions/appeals process for drugs not on their formulary. If the prescriber feels that the drug ordered is the only drug that is appropriate for the patient, and the plan will not cover the drug, the prescriber should apply for an exception. Prescribers may request an "expedited" determination for their exception request, which requires the plan to make a determination within 24 hours. If an "expedited" determination is not requested, the plan has 72 hours to make a determination.

If the plan denies an exception request, then the prescriber, or the patient, can appeal the plan's determination. To file an appeal, contact the recipients' plan for details on their appeals process.

## **The Role of Medicaid for the Dual**

The NYS Medicaid program will continue to cover certain drugs excluded from Medicare Part D coverage. These include benzodiazepines, barbiturates and certain over-the-counter medications currently covered under Medicaid.

In addition, Medicaid may provide a limited "wrap-around" benefit, but only if the prescriber has completed the exception request process with the Medicare plan. Remember that Medicare is the primary payor for prescription drugs; Medicaid will pay for covered medications only when the Medicare plan has made a final determination to deny coverage of a specific drug for a specific patient.

After the plan has made a final determination to deny coverage, the prescribing physician may call the NYS Medicaid Verification System (MVS) at 1-800-292-7004, confirm that Medicare has completed a reconsideration for coverage, and denied the request. The MVS is a fully automated process, which will provide an MVS number to the prescriber. This MVS number must be written on the prescription. Unless an MVS number is obtained, Medicaid will not cover medications under this "wraparound" provision. All Medicaid rules apply to those medications being funded under Medicaid through the "wraparound" benefit.

## **Resources**

A Medicaid Update Special Edition devoted solely to Medicare Part D issues will be published in the near future. The special edition will outline details of the new Medicare Part D Drug Program and its impact on dual eligibles. The federal web sites for CMS ([www.medicare.gov](http://www.medicare.gov)) and the Social Security Administration (SSA) ([www.ssa.gov/prescriptionhelp/](http://www.ssa.gov/prescriptionhelp/)) also have information about this new benefit. We encourage you to become familiar with them. You may also call 1-800-Medicare (1-800-633-4227) for additional information.

*Attachment 1 – Contact information for low-cost benchmark plans available to NYS duals.*

# Attachment 1

## New York State Part D Medicare Prescription Drug Plans

*For people with both Medicare and NYS Medicaid*

The following is a list of the Medicare Prescription Drug Plans available to persons with both Medicare and New York State Medicaid. The specific plans under “Plan Name” are available at no cost. Other plans offered by the companies may require an additional monthly premium payment. Contact information was updated as of 11/30/05.

<b>Company</b>	<b>Website</b>	<b>Benchmark Plan Name</b>	<b>Phone #</b>
<a href="http://www.rxpathway.com/">American Progressive Insurance Co.</a> 3049	<a href="http://www.rxpathway.com/">http://www.rxpathway.com/</a>	Prescription Pathway Bronze Plan Reg 3	(800) 825-8200 or (866) 566-3049
<a href="https://www.excellusbcb.com/">Excellus Health Plan, Inc.</a>	<a href="https://www.excellusbcb.com/">https://www.excellusbcb.com/</a>	Simply Prescriptions	(800) 659-1986
<a href="http://www.firsthealthpremier.com/">First Health</a>	<a href="http://www.firsthealthpremier.com/">http://www.firsthealthpremier.com/</a>	First Health Premier	(800) 588-3322
<a href="http://www.ghi.com/">Group Health Incorporated (GHI)</a>	<a href="http://www.ghi.com/">http://www.ghi.com/</a>	GHI Medicare Prescription Drug Plan	(800) 611-8454
<a href="https://www.healthnet.com/">Health Net Insurance of NY</a>	<a href="https://www.healthnet.com/">https://www.healthnet.com/</a>	Health Net Orange	(800) 706-8811
<a href="http://www.humana.com/">Humana Insurance Company of NY</a>	<a href="http://www.humana.com/">http://www.humana.com/</a>	Humana PDP Standard	(800) 281-6918
<a href="http://www.prescriptionsolutions.com/">Pacificare Insurance Company</a>	<a href="http://www.prescriptionsolutions.com/">http://www.prescriptionsolutions.com/</a>	Pacificare Saver Plan Pacificare Select Plan	(800) 943-0399 (800) 943-0399
<a href="http://www.silverscript.com/">Silverscript Insurance Company</a>	<a href="http://www.silverscript.com/">http://www.silverscript.com/</a>	Silverscript	(866) 552-6106
<a href="http://www.unicare.com/">Unicare</a>	<a href="http://www.unicare.com/">http://www.unicare.com</a>	Medicare Rx Rewards	(866) 892-5335
<a href="http://www.uhc.com/">United Healthcare Insurance Co of NY</a>	<a href="http://www.uhc.com/">http://www.uhc.com/</a>	United HealthRx AARP MedicareRx Plan United Medicare MedAdvance	(888) 556-7052 (888) 556-7052 or (888) 867-5564 (888) 556-7052
<a href="http://www.wellcare.com/medicare">Wellcare Health Plans</a>	<a href="http://www.wellcare.com/medicare">http://www.wellcare.com/medicare</a>	Wellcare Signature	(888) 423-5252